

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OKLAHOMA

CORNERSTONE OPERATING
SERVICES, INC.

Plaintiff,

v.

WOOD GROUP POWER SOLUTIONS, INC.

Defendant.

) Case No.:

04CV509 (C)

FILED
JUN 23 2004

Phil Lombardi, Clerk
U.S. DISTRICT COURT

COMPLAINT

Plaintiff, Cornerstone Operating Services, Inc., for its claims for relief against the above named Defendant alleges as follows:

1. Plaintiff, Cornerstone Operating Services, Inc. ("Plaintiff" or "Cornerstone"), is a corporation organized under the laws of the State of Georgia, with its principal place of business outside of the State of Oklahoma.

2. Defendant Wood Group Power Solutions, Inc. ("Wood Group" or "Defendant") is a corporation organized under the laws of the State of Oklahoma with its principal place of business in Tulsa, Oklahoma, within the Northern District of Oklahoma.

3. This is an action brought for breach of contract for the sale and delivery of goods. By virtue of Defendant's being incorporated and have its principal place of business within the State of Oklahoma, and by its engaging in contracts and dealings with Cornerstone, for delivery of goods or materials into Oklahoma, both parties have sufficient contacts with the State of Oklahoma to warrant this Court's exercise of in personam jurisdiction over them.

4. The amount in controversy exceeds the sum of seventy-five thousand dollars (\$75,000.00), exclusive of interest or costs. Subject matter jurisdiction is therefore vested in this

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Court by reason of the diversity of citizenship between the parties pursuant to 28 U.S.C. §1332, and venue is proper in this Court pursuant to 28 U.S.C. §1391(a) and §1391(c).

5. On or about September 17, 2003, Cornerstone and Wood Group, entered into a contract for the sale of goods, under that certain Wood Group Purchase Order 1307-001 and Cornerstone's invoice and other written documentation dated on or about September 22, 2003. By virtue of the parties agreements and documents, Wood Group and Cornerstone entered into a contract by which Cornerstone was to deliver three gear reduction units, Lufkin model number NFVO2419C to Wood Group at a unit price of \$100,000.00 each. Under the contract Cornerstone was to deliver the three Lufkin gear boxes to an agent for Wood Group. By agreement of Cornerstone and Wood Group, the terms and conditions of the sale were "AS IS, WHERE IS". In addition, the terms and conditions of the sale expressly exclude any implied warranties of suitability, merchant ability, or fitness for a particular purpose. Cornerstone subsequently duly and properly performed all of its obligations under the contract and delivered three gear reduction units to Wood Group and/or its agent.

6. Pursuant to the parties' contract, Wood Group was to pay Cornerstone a total sum of \$300,000.00 for the three gear reduction units. Despite due and proper presentment for payment and demand for payment by Cornerstone, Wood Group has failed and refused to pay any sums to Cornerstone for the three gear boxes, and has failed to perform its obligations under the parties' contract.

FIRST CLAIM FOR RELIEF
BREACH OF CONTRACT

7. Cornerstone re-alleges and incorporates the allegations in paragraphs 1 through 6 as if fully set forth herein.

8. By virtue of its acts and omissions, including its failure to pay the sums owed to Cornerstone, Wood Group has breached its contract with Cornerstone and is liable to Cornerstone for such breach. As a result of Wood Group's breach of contract, Cornerstone has suffered damages for which Wood Group is liable to it, in excess of \$300,000.00, in an amount to be determined at trial.

9. Cornerstone further is entitled to recover from Wood Group prejudgment and post judgment interest as provided by law, and its costs in this action, including a reasonable attorney fees, pursuant to applicable law.

SECOND CLAIM FOR RELIEF
PROMISSORY ESTOPPEL/UNJUST ENRICHMENT

10. Cornerstone re-alleges and incorporates the allegations in paragraphs 1 through 9 above, as if fully set forth herein.

11. By its acts and omissions, as noted above, and its as communications to Cornerstone, Wood Group made promises and statements upon which Cornerstone relied, to its detriment by delivering the referenced gear reduction units to or for the benefit of Wood Group. It further would be an unjust enrichment for Wood Group to retain possession of the gear boxes and to fail to pay Cornerstone the fair and reasonable value of the same.

12. Wood Group therefore is liable to Cornerstone, for the reasonable value of the gear boxes, in the amount in excess of \$300,000.00, plus prejudgment and post judgment interest provided by law, plus its costs in this action, including reasonable attorney fees, pursuant to applicable law.

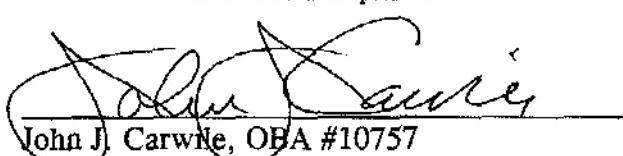
WHEREFORE, Plaintiff Cornerstone Operating Services, Inc., prays that Court enter judgment in its favor against Defendant Wood Group Power Solutions, Inc., on all of Plaintiff's

causes of action against said Defendant, and further to render judgment in its favor for actual damages, of at least \$300,000.00, to be determined at trial, plus prejudgment and post judgment interest as provided by law, plus its costs incurred herein including its reasonable attorney fees, and all other such legal or equitable relief to which said Plaintiff may be entitled.

PLAINTIFF DEMANDS TRIAL BY JURY ON ALL ISSUES SO TRIABLE.

Respectfully submitted,

**ATKINSON, HASKINS, NELLIS, HOLEMAN,
PHIPPS, BRITTINGHAM & GLADD**
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